

KENTUCKY POWER COMPANY
American Electric Power
ATTORNEY GENERALS FIRST SET
DATA REQUEST
Case No. 2005-00341

Item No. 224

With reference to Appendix E, please provide copies of all studies used to make: (a) the ex-dividend date adjustment (page E-6); and (b) the quarterly compounding adjustment (page E-8).

Response

- a) The workpapers used to compute the ex-dividend data adjustment are attached.
- b) There are no separate workpapers for the quarterly compounding adjustment. All data used for this calculation is contained on page E-8.

Witness: Paul R. Moul

Monthly Dividend Yields for
MLP Group
for the Twelve Months Ending June 2005

Company	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	12-Month Average	6-Month Average	3-Month Average
AMEREN CORP (NYSE: AEE)	5.73%	5.50%	5.52%	5.33%	5.31%	5.08%	5.11%	4.99%	5.20%	4.95%	4.70%	4.61%			
DTE ENERGY CO (NYSE: DTE)	5.16%	5.04%	4.89%	4.85%	4.74%	4.79%	4.73%	4.70%	4.54%	4.51%	4.37%	4.41%			
EXELON CORP (NYSE: EXC)	3.52%	3.32%	3.34%	4.07%	3.84%	3.65%	3.65%	3.53%	3.50%	3.25%	3.42%	3.13%			
FIRSTENERGY CORP (NYSE: FE)	3.87%	3.74%	3.67%	3.66%	3.56%	3.82%	4.19%	4.01%	3.96%	3.83%	3.73%	3.45%			
MGE ENERGY INC (NASDAQ: NI)	4.37%	4.28%	4.32%	4.35%	3.99%	3.81%	3.83%	3.82%	4.14%	4.14%	3.80%	3.77%			
VECTREN CORP (NYSE: VVC)	4.65%	4.67%	4.56%	4.61%	4.52%	4.43%	4.32%	4.37%	4.46%	4.41%	4.33%	4.13%			
WPS RESOURCES CORP (NYS)	4.88%	4.76%	4.96%	4.71%	4.59%	4.46%	4.38%	4.26%	4.21%	4.24%	4.03%	3.96%			
WISCONSIN ENERGY CORP (N)	2.63%	2.57%	2.64%	2.59%	2.53%	2.50%	2.59%	2.54%	2.49%	2.51%	2.43%	2.26%			
Average	4.35%	4.24%	4.24%	4.27%	4.14%	4.07%	4.10%	4.03%	4.06%	3.98%	3.85%	3.72%	4.09%	3.96%	3.85%

Note: Monthly dividend yields are calculated by dividing the annualized quarterly dividend by the month-end closing stock price adjusted by the fraction of the ex-dividend.

Source of Information: BusinessWeek online
http://ccbn.aol.com Event Calendar - Split/Dividend data provided by FT Interactive Data

Month-End Closing Prices

	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>
AMEREN CORP (NYSE:AEE)	\$ 44.690	\$ 46.790	\$ 46.150	\$ 48.000	\$ 48.420	\$ 50.140	\$ 50.120	\$ 51.470	\$ 49.010	\$ 51.700	\$ 54.580	\$ 55.300
DTE ENERGY CO (NYSE:DTE)	\$ 40.170	\$ 41.320	\$ 42.190	\$ 42.710	\$ 43.880	\$ 43.130	\$ 43.810	\$ 44.220	\$ 45.480	\$ 45.950	\$ 47.540	\$ 46.770
EXELON CORP (NYSE:EXC)	\$ 34.900	\$ 36.850	\$ 36.690	\$ 39.620	\$ 41.710	\$ 44.070	\$ 44.250	\$ 45.360	\$ 45.890	\$ 49.500	\$ 46.850	\$ 51.330
FIRSTENERGY CORP (NYSE:FE)	\$ 39.100	\$ 40.240	\$ 41.080	\$ 41.330	\$ 42.230	\$ 39.510	\$ 39.760	\$ 41.240	\$ 41.950	\$ 43.520	\$ 44.300	\$ 48.110
MGE ENERGY INC (NASDAQ-NI)	\$ 31.530	\$ 31.980	\$ 31.820	\$ 31.690	\$ 34.270	\$ 36.030	\$ 35.910	\$ 35.810	\$ 33.150	\$ 33.320	\$ 36.000	\$ 36.380
VECTREN CORP (NYSE:VVC)	\$ 24.750	\$ 24.450	\$ 25.180	\$ 25.870	\$ 26.180	\$ 26.800	\$ 27.610	\$ 27.060	\$ 26.640	\$ 27.010	\$ 27.290	\$ 28.730
WPS RESOURCES CORP (NYSE:WPS)	\$ 45.890	\$ 46.670	\$ 44.990	\$ 47.500	\$ 48.350	\$ 49.960	\$ 51.100	\$ 52.120	\$ 52.920	\$ 52.730	\$ 55.130	\$ 56.250
WISCONSIN ENERGY CORP (NYSE:WEC)	\$ 32.150	\$ 32.750	\$ 31.900	\$ 32.640	\$ 33.270	\$ 33.710	\$ 34.180	\$ 34.720	\$ 35.500	\$ 35.260	\$ 36.300	\$ 39.000

Quarterly Dividend Payment

	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>
AMEREN CORP (NYSE:AEE)	\$ 0.635	\$ 0.635	\$ 0.635	\$ 0.635	\$ 0.635	\$ 0.635	\$ 0.635	\$ 0.635	\$ 0.635	\$ 0.635	\$ 0.635	\$ 0.635
DTE ENERGY CO (NYSE:DTE)	\$ 0.515	\$ 0.515	\$ 0.515	\$ 0.515	\$ 0.515	\$ 0.515	\$ 0.515	\$ 0.515	\$ 0.515	\$ 0.515	\$ 0.515	\$ 0.515
EXELON CORP (NYSE:EXC)	\$ 0.305	\$ 0.305	\$ 0.305	\$ 0.400	\$ 0.400	\$ 0.400	\$ 0.400	\$ 0.400	\$ 0.400	\$ 0.400	\$ 0.400	\$ 0.400
FIRSTENERGY CORP (NYSE:FE)	\$ 0.375	\$ 0.375	\$ 0.375	\$ 0.375	\$ 0.375	\$ 0.375	\$ 0.413	\$ 0.413	\$ 0.413	\$ 0.413	\$ 0.413	\$ 0.413
MGE ENERGY INC (NASDAQ-NI)	\$ 0.342	\$ 0.342	\$ 0.342	\$ 0.342	\$ 0.342	\$ 0.342	\$ 0.342	\$ 0.342	\$ 0.342	\$ 0.342	\$ 0.342	\$ 0.342
VECTREN CORP (NYSE:VVC)	\$ 0.285	\$ 0.285	\$ 0.285	\$ 0.295	\$ 0.295	\$ 0.295	\$ 0.295	\$ 0.295	\$ 0.295	\$ 0.295	\$ 0.295	\$ 0.295
WPS RESOURCES CORP (NYSE:WPS)	\$ 0.555	\$ 0.555	\$ 0.555	\$ 0.555	\$ 0.555	\$ 0.555	\$ 0.555	\$ 0.555	\$ 0.555	\$ 0.555	\$ 0.555	\$ 0.555
WISCONSIN ENERGY CORP (NYSE:WEC)	\$ 0.210	\$ 0.210	\$ 0.210	\$ 0.210	\$ 0.210	\$ 0.210	\$ 0.220	\$ 0.220	\$ 0.220	\$ 0.220	\$ 0.220	\$ 0.220

Ex-Dividend Dates

	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>
AMEREN CORP (NYSE:AEE)	07-Jun-04	07-Jun-04	07-Sep-04	07-Sep-04	07-Sep-04	06-Dec-04	06-Dec-04	06-Dec-04	07-Mar-05	07-Mar-05	07-Mar-05	06-Jun-05
DTE ENERGY CO (NYSE:DTE)	17-Jun-04	17-Jun-04	17-Sep-04	17-Sep-04	17-Sep-04	16-Dec-04	16-Dec-04	16-Dec-04	17-Mar-05	17-Mar-05	17-Mar-05	16-Jun-05
EXELON CORP (NYSE:EXC)	12-May-04	11-Aug-04	11-Aug-04	11-Aug-04	10-Nov-04	10-Nov-04	10-Nov-04	11-Feb-05	11-Feb-05	11-Feb-05	11-May-05	11-May-05
FIRSTENERGY CORP (NYSE:FE)	05-May-04	04-Aug-04	04-Aug-04	04-Aug-04	03-Nov-04	03-Nov-04	03-Nov-04	03-Feb-05	03-Feb-05	03-Feb-05	04-May-05	04-May-05
MGE ENERGY INC (NASDAQ:NI)	27-May-04	30-Aug-04	30-Aug-04	30-Aug-04	29-Nov-04	29-Nov-04	29-Nov-04	25-Feb-05	29-Feb-05	25-Feb-05	27-May-05	27-May-05
VECTREN CORP (NYSE:VVC)	12-May-04	11-Aug-04	11-Aug-04	11-Aug-04	10-Nov-04	10-Nov-04	10-Nov-04	11-Feb-05	11-Feb-05	11-Feb-05	11-May-05	11-May-05
WPS RESOURCES CORP (NYS)	26-May-04	27-Aug-04	27-Aug-04	27-Aug-04	26-Nov-04	26-Nov-04	26-Nov-04	24-Feb-05	24-Feb-05	24-Feb-05	26-May-05	26-May-05
WISCONSIN ENERGY CORP (NYS)	12-May-04	11-Aug-04	11-Aug-04	11-Aug-04	09-Nov-04	09-Nov-04	09-Nov-04	09-Feb-05	09-Feb-05	09-Feb-05	11-May-05	11-May-05

Days from Ex-Dividend Date

	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>
AMEREN CORP (NYSE:AEE)	54	85	23	54	84	25	56	84	24	54	85	24
DTE ENERGY CO (NYSE:DTE)	44	75	13	44	74	15	46	74	14	44	75	14
EXELON CORP (NYSE:EXC)	80	20	50	81	20	51	82	17	48	78	20	50
FIRSTENERGY CORP (NYSE:FE)	87	27	57	88	27	58	89	25	56	86	27	57
MGE ENERGY INC (NASDAQ-NM)	65	1	31	62	1	32	63	3	34	64	4	34
VECTREN CORP (NYSE:VVC)	80	20	50	81	20	51	82	17	48	78	20	50
WPS RESOURCES CORP (NYSE:WPS)	66	4	34	65	4	35	66	4	35	65	5	35
WISCONSIN ENERGY CORP (NYSE:WEC)	80	20	50	81	21	52	83	19	50	80	20	50

Adjusted Prices

	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>
AMEREN CORP (NYSE:AEE)	\$44.313	\$46.197	\$45.990	\$47.623	\$47.834	\$49.966	\$49.729	\$50.884	\$48.843	\$51.323	\$53.987	\$55.133
DTE ENERGY CO (NYSE:DTE)	\$39.921	\$40.896	\$42.116	\$42.461	\$43.461	\$43.045	\$43.550	\$43.801	\$45.401	\$45.701	\$47.116	\$46.691
EXELON CORP (NYSE:EXC)	\$34.632	\$36.783	\$36.522	\$39.264	\$41.622	\$43.846	\$43.890	\$45.285	\$45.679	\$49.157	\$46.762	\$51.110
FIRSTENERGY CORP (NYSE:FE)	\$38.741	\$40.129	\$40.845	\$40.967	\$42.119	\$39.271	\$39.357	\$41.127	\$41.696	\$43.130	\$44.178	\$47.852
MGE ENERGY INC (NASDAQ-NI)	\$31.286	\$31.976	\$31.703	\$31.457	\$34.266	\$35.910	\$35.673	\$35.799	\$33.022	\$33.079	\$35.985	\$36.252
VECTREN CORP (NYSE:VVC)	\$24.499	\$24.387	\$25.023	\$25.607	\$26.115	\$26.635	\$27.344	\$27.005	\$26.484	\$26.757	\$27.225	\$28.568
WPS RESOURCES CORP (NYSE:WPS)	\$45.487	\$46.646	\$44.783	\$47.104	\$48.326	\$49.747	\$50.697	\$52.096	\$52.707	\$52.334	\$55.100	\$56.037
WISCONSIN ENERGY CORP (NYSE:WEC)	\$31.965	\$32.704	\$31.785	\$32.453	\$33.222	\$33.590	\$33.979	\$34.674	\$35.379	\$35.067	\$36.252	\$38.879

**KENTUCKY POWER COMPANY
American Electric Power
ATTORNEY GENERALS FIRST SET
DATA REQUEST
Case No. 2005-00341**

Item No. 225

With reference to Appendix I, (page 1-4) please provide (a) the methodology employed by Value Line in estimating the "Median Appreciation Potential," (b) copies of the source documents and the dividend yields and projected EPS growth rates for each of the 500 companies in the S&P 500. For (b), please provide the data in both hard copy and electronic (Microsoft Excel) formats.

Response

- a) Value Line's narrative of the "Median Appreciation Potential" as copied from their internet website is provided below.

Updated February 11, 2005

Value Line's 3- to 5-Year Appreciation Potential—An Update

The following is an update to the evaluation of our 3- to 5-year price appreciation potential that was first published on November 8, 2002. That article and accompanying chart detailed the methodology behind our evaluation and discussed some of the more interesting results. For the benefit of our subscribers, we briefly review the methodology used for this, and the previous, evaluation.

Price Appreciation Potential

The estimate of the median price appreciation potential is found by first calculating the percentage change between the current price of each stock in our universe and the middle of its 3- to 5-year Target Price Range. These figures are then arrayed, and the median price appreciation potential is determined. We select the median of the array (the middle) as the most likely price, in order to play down the effect of outliers, that is, excessively large or small percentage price changes.

The chart included below depicts the results of those projections from 1983 to 2004, using the Value Line Arithmetic Index as our measure of the market. For simplicity sake, we take the actual price as the average of the middle year of the 3- to 5-year forecast, so that a projection made at the end of 1983 would be compared to the average price of the index in 1987. Strictly speaking this would be a 3 1/2 year forecast, from the end of 1983 to midyear 1987.

Update for 2004

Witness: Paul R. Moul

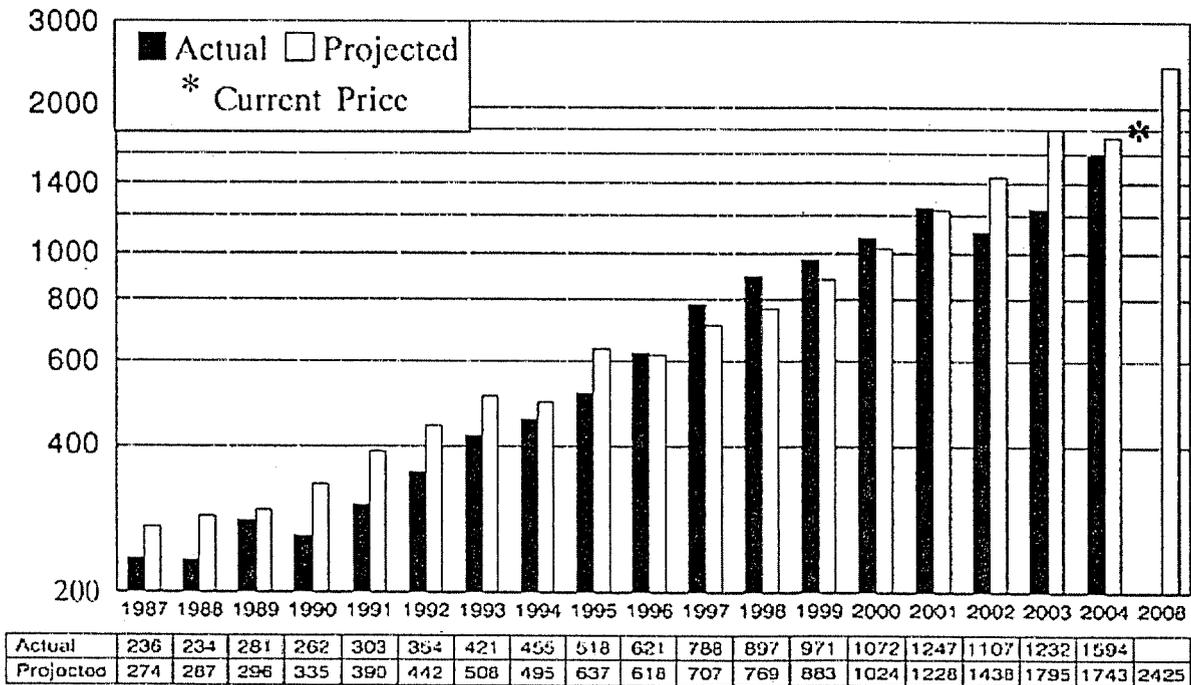
KENTUCKY POWER COMPANY
American Electric Power
ATTORNEY GENERALS FIRST SET
DATA REQUEST
Case No. 2005-00341

Our estimate for the year 2004 (made at the end of 2000) was 1743. The average price of the Value Line Arithmetic Index in 2004 was 1594. Interestingly, the year ended with the Index at 1796, almost exactly in line with the 4-year projection made in 2000.

The average deviation between the projected and actual average prices was 17% (ignoring signs). The median deviation during this period was 14%.

Our projection for 2008 now stands at 2,425, 38% above the current level.

Four-Year Projections of the Value Line Arithmetic Index



- b) The source document is provided on page 29 of 32 of Exhibit No. PRM-1. There is no additional data available from Value Line in this regard.

Witness: Paul R. Moul

KENTUCKY POWER COMPANY
American Electric Power
ATTORNEY GENERALS FIRST SET
DATA REQUEST
Case No. 2005-00341

Item No. 226

With respect to Schedules 6 and 7 of Exhibit PRM-1, please provide the individual company data used in developing the historic and projected growth rates. Please provide the data in both hard copy and electronic (Microsoft Excel) formats.

Response

The requested workpapers for Schedules 6 and 7 are attached. Please see the enclosed CD for electronic formats.

Witness: Paul R. Moul

Historical Growth Rates
 Earnings Per Share, Dividends Per Share,
 Book Value Per Share, and Cash Flow Per Share

<u>Electric Group</u>	<u>Earnings per Share</u>		<u>Dividends per Share</u>		<u>Book Value per Share</u>		<u>Cash Flow per Share</u>	
	<u>Value Line</u>		<u>Value Line</u>		<u>Value Line</u>		<u>Value Line</u>	
	<u>5 Year</u>	<u>10 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>5 Year</u>	<u>10 Year</u>
Ameren Corp.	2.50%	1.00%	-	1.00%	2.50%	2.00%	3.00%	2.00%
DTE Energy Co.	-	-2.00%	-	0.50%	3.50%	3.50%	-	1.50%
Exelon	6.50%	-	-	-	-	-	8.00%	-
FirstEnergy Corp.	1.00%	2.00%	2.00%	1.00%	6.00%	5.00%	3.50%	5.50%
MGE Energy, Inc.	7.00%	1.00%	1.00%	1.00%	3.50%	1.50%	1.50%	1.50%
Vectren Corp.	-	-	-	-	-	-	-	-
WPS Resources	7.00%	1.50%	2.00%	2.00%	5.00%	3.50%	3.00%	1.50%
Wisconsin Energy	9.50%	2.00%	-12.00%	-5.00%	3.50%	2.50%	7.50%	4.50%
Average	<u>5.58%</u>	<u>0.92%</u>	<u>-1.75%</u>	<u>0.08%</u>	<u>4.00%</u>	<u>3.00%</u>	<u>4.42%</u>	<u>2.75%</u>

Source of Information: Value Line Investment Survey, April 1 and June 3, 2005

Analysts' Five-Year Projected Growth Rates
Earnings Per Share, Dividends Per Share,
Book Value Per Share, and Cash Flow Per Share

<u>Electric Group</u>	<u>I/B/E/S First Call</u>	<u>Zacks</u>	<u>Reuters Market Guide</u>	<u>Value Line</u>				
				<u>Earnings Per Share</u>	<u>Dividends Per Share</u>	<u>Book Value Per Share</u>	<u>Cash Flow Per Share</u>	<u>Percent Retained to Common Equity</u>
Ameren Corp.	3.36%	4.90%	4.36%	0.50%	Nil	4.00%	1.00%	2.00%
DTE Energy Co.	4.20%	4.60%	4.50%	7.00%	0.50%	5.00%	5.50%	6.50%
Exelon	5.29%	6.10%	6.35%	6.50%	11.00%	10.00%	5.50%	7.50%
FirstEnergy Corp.	4.20%	4.10%	4.43%	10.00%	3.50%	5.50%	2.00%	6.00%
MGE Energy, Inc.	-	N/A	-	6.00%	0.50%	7.00%	0.50%	4.60%
Vectren Corp.	4.00%	5.00%	6.67%	4.50%	3.50%	4.00%	4.50%	3.50%
WPS Resources	4.33%	4.70%	4.33%	6.50%	2.00%	6.00%	10.50%	5.00%
Wisconsin Energy	6.20%	6.10%	6.25%	4.00%	4.50%	6.50%	4.00%	6.00%
<u>Average</u>	<u>4.51%</u>	<u>5.07%</u>	<u>5.27%</u>	<u>5.63%</u>	<u>3.64%</u>	<u>6.00%</u>	<u>4.19%</u>	<u>5.14%</u>

Source of Information : Thomson Financial, June 22, 2005
Zacks, June 22, 2005
Market Guide, June 22, 2005
Value Line Investment Survey, April 1 and June 3, 2005

KENTUCKY POWER COMPANY
American Electric Power
ATTORNEY GENERALS FIRST SET
DATA REQUEST
Case No. 2005-00341

Item No. 227

With respect to Schedule 9, pages 1-4, of Exhibit PRM-1, please provide electronic (Microsoft Excel) copies of these pages, keeping all data and equations intact.

Response

An electronic copy of this schedule is attached on a CD.

Witness: Paul R. Moul

Return on Common Equity Calculation

Company	Low Dividend Yield (D/P)	High Dividend Yield (D/P)	"b times r" + "s times v"			"b times r" + "s times v"		
			Adjusted Div. Yield (D1/P)	Growth Rate (g)	Low Cost of Equity (K)	Adjusted Div. Yield (D1/P)	Growth Rate (g)	High Cost of Equity (K)
			+	=	=	+	=	=
AMEREN CORP (NYSE:AEE)	4.82%	5.11%	4.87%	2.21%	7.08%	5.16%	2.21%	7.37%
DTE ENERGY CO (NYSE:DTE)	4.44%	4.68%	4.55%	4.80%	9.35%	4.80%	4.80%	9.60%
EXELON CORP (NYSE:EXC)	3.33%	3.63%	3.50%	9.94%	13.44%	3.81%	9.94%	13.75%
FIRSTENERGY CORP (NYSE:FE)	3.80%	4.06%	3.90%	5.45%	9.35%	4.17%	5.45%	9.62%
MGE ENERGY INC (NASDAQ-NM:MGEI)	3.77%	4.17%	3.84%	3.67%	7.51%	4.24%	3.67%	7.91%
VECTREN CORP (NYSE:VVC)	4.23%	4.50%	4.32%	3.99%	8.31%	4.59%	3.99%	8.58%
WPS RES CORP (NYSE:WPS)	4.07%	4.33%	4.21%	6.57%	10.78%	4.47%	6.57%	11.04%
WISCONSIN ENERGY CORP (NYSE:WI)	2.43%	2.56%	2.50%	6.40%	8.90%	2.64%	6.40%	9.04%

Company	Low Dividend Yield (D/P)	High Dividend Yield (D/P)	IBES/ First Call			IBES/ First Call		
			Adjusted Div. Yield (D1/P)	Growth Rate (g)	Low Cost of Equity (K)	Adjusted Div. Yield (D1/P)	Growth Rate (g)	High Cost of Equity (K)
			+	=	=	+	=	=
AMEREN CORP (NYSE:AEE)	4.82%	5.11%	4.90%	3.36%	8.26%	5.19%	3.36%	8.55%
DTE ENERGY CO (NYSE:DTE)	4.44%	4.68%	4.53%	4.20%	8.73%	4.78%	4.20%	8.98%
EXELON CORP (NYSE:EXC)	3.33%	3.63%	3.42%	5.29%	8.71%	3.72%	5.29%	9.01%
FIRSTENERGY CORP (NYSE:FE)	3.80%	4.06%	3.88%	4.20%	8.08%	4.15%	4.20%	8.35%
MGE ENERGY INC (NASDAQ-NM:MGEI)	3.77%	4.17%		-			-	
VECTREN CORP (NYSE:VVC)	4.23%	4.50%	4.32%	4.00%	8.32%	4.59%	4.00%	8.59%
WPS RES CORP (NYSE:WPS)	4.07%	4.33%	4.16%	4.33%	8.49%	4.42%	4.33%	8.75%
WISCONSIN ENERGY CORP (NYSE:WI)	2.43%	2.56%	2.50%	6.20%	8.70%	2.64%	6.20%	8.84%

Zone of Reasonableness

AMEREN CORP (NYSE:AEE)		8.55%
DTE ENERGY CO (NYSE:DTE)	8.73%	9.60%
EXELON CORP (NYSE:EXC)	8.71%	13.75%
FIRSTENERGY CORP (NYSE:FE)	8.08%	9.62%
MGE ENERGY INC (NASDAQ-NM:MGEI)		
VECTREN CORP (NYSE:VVC)	8.31%	8.59%
WPS RES CORP (NYSE:WPS)	8.49%	11.04%
WISCONSIN ENERGY CORP (NYSE:WEC)	8.70%	9.04%
Range	8.08% (1)	13.75%
Midpoint	10.92%	

Note: (1) Removed values less than 8.00%, based on FERC's reasoning that "investors generally cannot be expected to purchase stock if debt, which has less risk than stock, yields essentially the same return, this low end-return cannot be considered reliable."

Source of Model: Opinion No. 445 (92 FERC ¶ 61,070)
Opinion No. 456 (98 FERC ¶ 61,333)

Dividend Yield Calculations

Company	Mo/Yr	Price		Indicated Dividend Rate	Dividend Yield	
		High	Low		High	Low
AMEREN CORP (NYSE:AEE)	Jan-05	\$50.26	\$48.17	\$ 2.54	5.27%	5.05%
	Feb-05	\$51.96	\$49.80	\$ 2.54	5.10%	4.89%
	Mar-05	\$52.00	\$47.51	\$ 2.54	5.35%	4.88%
	Apr-05	\$51.70	\$48.70	\$ 2.54	5.22%	4.91%
	May-05	\$54.97	\$51.66	\$ 2.54	4.92%	4.62%
	Jun-05	\$55.84	\$53.28	\$ 2.54	4.77%	4.55%
Average					<u>5.11%</u>	<u>4.82%</u>
DTE ENERGY CO (NYSE:DTE)	Jan-05	\$44.00	\$42.40	\$ 2.06	4.86%	4.68%
	Feb-05	\$45.05	\$43.01	\$ 2.06	4.79%	4.57%
	Mar-05	\$46.99	\$43.36	\$ 2.06	4.75%	4.38%
	Apr-05	\$46.38	\$44.40	\$ 2.06	4.64%	4.44%
	May-05	\$47.71	\$44.77	\$ 2.06	4.60%	4.32%
	Jun-05	\$48.31	\$46.15	\$ 2.06	4.46%	4.26%
Average					<u>4.68%</u>	<u>4.44%</u>
EXELON CORP (NYSE:EXC)	Jan-05	\$44.47	\$41.77	\$ 1.60	3.83%	3.60%
	Feb-05	\$46.20	\$43.32	\$ 1.60	3.69%	3.46%
	Mar-05	\$47.18	\$43.69	\$ 1.60	3.66%	3.39%
	Apr-05	\$49.55	\$45.14	\$ 1.60	3.54%	3.23%
	May-05	\$49.70	\$44.14	\$ 1.60	3.62%	3.22%
	Jun-05	\$52.01	\$46.91	\$ 1.60	3.41%	3.08%
Average					<u>3.63%</u>	<u>3.33%</u>
FIRSTENERGY CORP (NYSE:FE)	Jan-05	\$40.13	\$37.70	\$ 1.65	4.38%	4.11%
	Feb-05	\$41.98	\$39.61	\$ 1.65	4.17%	3.93%
	Mar-05	\$42.36	\$39.81	\$ 1.65	4.14%	3.90%
	Apr-05	\$43.66	\$40.75	\$ 1.65	4.05%	3.78%
	May-05	\$44.56	\$42.35	\$ 1.65	3.90%	3.70%
	Jun-05	\$48.96	\$44.25	\$ 1.65	3.73%	3.37%
Average					<u>4.06%</u>	<u>3.80%</u>
MGE ENERGY INC (NASDAQ-NM:MGEI)	Jan-05	\$36.44	\$33.28	\$ 1.37	4.12%	3.76%
	Feb-05	\$37.23	\$34.51	\$ 1.37	3.97%	3.68%
	Mar-05	\$36.52	\$32.37	\$ 1.37	4.23%	3.75%
	Apr-05	\$33.68	\$30.50	\$ 1.37	4.49%	4.07%
	May-05	\$36.44	\$31.94	\$ 1.37	4.29%	3.76%
	Jun-05	\$37.91	\$35.00	\$ 1.37	3.91%	3.61%
Average					<u>4.17%</u>	<u>3.77%</u>
VECTREN CORP (NYSE:VVC)	Jan-05	\$27.61	\$25.84	\$ 1.18	4.57%	4.27%
	Feb-05	\$27.95	\$26.27	\$ 1.18	4.49%	4.22%
	Mar-05	\$27.92	\$25.82	\$ 1.18	4.57%	4.23%
	Apr-05	\$27.45	\$26.16	\$ 1.18	4.51%	4.30%
	May-05	\$27.45	\$26.01	\$ 1.18	4.54%	4.30%
	Jun-05	\$28.98	\$27.35	\$ 1.18	4.31%	4.07%
Average					<u>4.50%</u>	<u>4.23%</u>
WPS RES CORP (NYSE:WPS)	Jan-05	\$51.34	\$47.67	\$ 2.22	4.66%	4.32%
	Feb-05	\$54.00	\$50.60	\$ 2.22	4.39%	4.11%
	Mar-05	\$54.90	\$51.62	\$ 2.22	4.30%	4.04%
	Apr-05	\$54.00	\$51.11	\$ 2.22	4.34%	4.11%
	May-05	\$56.23	\$52.54	\$ 2.22	4.23%	3.95%
	Jun-05	\$56.90	\$54.74	\$ 2.22	4.06%	3.90%
Average					<u>4.33%</u>	<u>4.07%</u>
WISCONSIN ENERGY CORP (NYSE:WI)	Jan-05	\$34.50	\$33.35	\$ 0.88	2.64%	2.55%
	Feb-05	\$36.12	\$34.19	\$ 0.88	2.57%	2.44%
	Mar-05	\$35.79	\$34.01	\$ 0.88	2.59%	2.46%
	Apr-05	\$35.93	\$34.66	\$ 0.88	2.54%	2.45%
	May-05	\$36.42	\$34.20	\$ 0.88	2.57%	2.42%
	Jun-05	\$39.31	\$36.25	\$ 0.88	2.43%	2.24%
Average					<u>2.56%</u>	<u>2.43%</u>

Source of Information: Standard & Poor's Security Owner's Stock Guide

"b times r" Growth Rate

Company	Value Line Return on Com. Equity	Common Equity			Adjustment Factor	Average Yearly Return	"b times r" Growth Rate
		2006	2008-10	Growth			
AMEREN CORP (NYSE:AEE)	9.33%	\$6,320	\$7,059	3.75%	1.0184	9.50%	1.67%
DTE ENERGY CO (NYSE:DTE)	11.00%	\$5,957	\$6,717	4.08%	1.0200	11.22%	5.15%
EXELON CORP (NYSE:EXC)	18.00%	\$11,844	\$16,357	11.36%	1.0537	18.97%	9.01%
FIRSTENERGY CORP (NYSE:FE)	11.17%	\$9,665	\$11,550	6.12%	1.0297	11.50%	5.45%
MGE ENERGY INC (NASDAQ-NM:MGEI)	10.83%	\$356	\$384	2.56%	1.0126	10.97%	3.66%
VECTREN CORP (NYSE:VVC)	11.67%	\$1,189	\$1,338	4.01%	1.0197	11.90%	3.82%
WPS RES CORP (NYSE:WPS)	12.50%	\$1,254	\$1,523	6.69%	1.0324	12.91%	5.82%
WISCONSIN ENERGY CORP (NYSE:WI)	10.00%	\$2,832	\$3,412	6.41%	1.0311	10.31%	6.40%
Average	11.81%			5.62%	1.0272	12.16%	5.12%

"s times v" Growth Rate

Company	2004 Book Value per Share	Six-Month Average Stock Price	1-(B/P)	Common Shares Outst'g			"s times v" Growth Rate
				2004	2008-10	Growth	
AMEREN CORP (NYSE:AEE)	\$30.15	\$51.32	0.4125	195.00	208.00	1.30%	0.54%
DTE ENERGY CO (NYSE:DTE)	\$31.85	\$45.21	0.2955	174.21	164.00	-1.20%	-0.35%
EXELON CORP (NYSE:EXC)	\$14.19	\$46.17	0.6927	664.20	710.00	1.34%	0.93%
FIRSTENERGY CORP (NYSE:FE)	\$26.04	\$42.18	0.3826	329.84	329.84	0.00%	0.00%
MGE ENERGY INC (NASDAQ-NM:MGEI)	\$16.59	\$34.65	0.5212	20.39	20.40	0.01%	0.01%
VECTREN CORP (NYSE:VVC)	\$14.45	\$27.07	0.4661	76.00	77.40	0.37%	0.17%
WPS RES CORP (NYSE:WPS)	\$29.00	\$52.97	0.4525	37.40	40.60	1.66%	0.75%
WISCONSIN ENERGY CORP (NYSE:WI)	\$21.31	\$35.39	0.3979	116.99	117.00	0.00%	0.00%
Average			0.4526			0.44%	0.25%

Source of Information: The Value Line Investment Survey, April 1, 2005, and June 3, 2005

Retention Growth Components

Company	2005			
	DPS	EPS	Dividend Payout	Return on Com. Equity
AMEREN CORP (NYSE:AEE)	\$2.54	\$3.00	84.67%	9.50%
DTE ENERGY CO (NYSE:DTE)	\$2.06	\$3.30	62.42%	10.00%
EXELON CORP (NYSE:EXC)	\$1.60	\$3.05	52.46%	19.50%
FIRSTENERGY CORP (NYSE:FE)	\$1.65	\$2.85	57.89%	10.50%
MGE ENERGY INC (NASDAQ-NM:MGEI)	\$1.37	\$1.90	72.11%	10.00%
VECTREN CORP (NYSE:VVC)	\$1.19	\$1.75	68.00%	11.50%
WPS RES CORP (NYSE:WPS)	\$2.24	\$4.10	54.63%	13.00%
WISCONSIN ENERGY CORP (NYSE:WI)	\$0.88	\$2.30	38.26%	10.50%
Average			<u>61.31%</u>	<u>11.81%</u>

Company	2006			
	DPS	EPS	Dividend Payout	Return on Com. Equity
AMEREN CORP (NYSE:AEE)	\$2.54	\$3.10	81.94%	9.50%
DTE ENERGY CO (NYSE:DTE)	\$2.06	\$3.70	55.68%	11.00%
EXELON CORP (NYSE:EXC)	\$1.68	\$3.20	52.50%	18.50%
FIRSTENERGY CORP (NYSE:FE)	\$1.72	\$3.45	49.86%	11.50%
MGE ENERGY INC (NASDAQ-NM:MGEI)	\$1.38	\$2.00	69.00%	10.50%
VECTREN CORP (NYSE:VVC)	\$1.23	\$1.85	66.49%	12.00%
WPS RES CORP (NYSE:WPS)	\$2.28	\$4.20	54.29%	13.00%
WISCONSIN ENERGY CORP (NYSE:WI)	\$0.92	\$2.45	37.55%	10.00%
Average			<u>58.41%</u>	<u>12.00%</u>

Company	2008-10			
	DPS	EPS	Dividend Payout	Return on Com. Equity
AMEREN CORP (NYSE:AEE)	\$2.54	\$3.15	80.63%	9.00%
DTE ENERGY CO (NYSE:DTE)	\$2.10	\$4.75	44.21%	12.00%
EXELON CORP (NYSE:EXC)	\$1.92	\$3.65	52.60%	16.00%
FIRSTENERGY CORP (NYSE:FE)	\$2.00	\$4.00	50.00%	11.50%
MGE ENERGY INC (NASDAQ-NM:MGEI)	\$1.44	\$2.45	58.78%	12.00%
VECTREN CORP (NYSE:VVC)	\$1.35	\$1.95	69.23%	11.50%
WPS RES CORP (NYSE:WPS)	\$2.40	\$4.30	55.81%	11.50%
WISCONSIN ENERGY CORP (NYSE:WI)	\$1.04	\$2.75	37.82%	9.50%
Average			<u>56.14%</u>	<u>11.63%</u>

Company	Average	
	Dividend Payout	Return on Com. Equity
AMEREN CORP (NYSE:AEE)	82.41%	9.33%
DTE ENERGY CO (NYSE:DTE)	54.10%	11.00%
EXELON CORP (NYSE:EXC)	52.52%	18.00%
FIRSTENERGY CORP (NYSE:FE)	52.58%	11.17%
MGE ENERGY INC (NASDAQ-NM:MGEI)	66.63%	10.83%
VECTREN CORP (NYSE:VVC)	67.91%	11.67%
WPS RES CORP (NYSE:WPS)	54.91%	12.50%
WISCONSIN ENERGY CORP (NYSE:WEC)	37.88%	10.00%
Average	<u>58.62%</u>	<u>11.81%</u>

KENTUCKY POWER COMPANY
American Electric Power
ATTORNEY GENERALS FIRST SET
DATA REQUEST
Case No. 2005-00341

Item No. 228

With respect to Exhibit PRM-1, please provide electronic (Microsoft Excel) copies of Schedule 10 (page 5 of 5), Schedule 11 (page 1 of 2), and Schedule 13 (both pages 1 and 2). For these electronic copies, please keep all data and equations intact.

Response

An electronic copy of these schedules are attached on a CD.

Witness: Paul R. Moul

A rated Public Utility Bonds
over 20-Year Treasuries

Year	A-rated Public Utility	20-Year Treasuries	
		Yield	Spread
Dec-98	6.91%	5.36%	1.55%
Jan-99	6.97%	5.45%	1.52%
Feb-99	7.09%	5.66%	1.43%
Mar-99	7.26%	5.87%	1.39%
Apr-99	7.22%	5.82%	1.40%
May-99	7.47%	6.08%	1.39%
Jun-99	7.74%	6.36%	1.38%
Jul-99	7.71%	6.28%	1.43%
Aug-99	7.91%	6.43%	1.48%
Sep-99	7.93%	6.50%	1.43%
Oct-99	8.06%	6.66%	1.40%
Nov-99	7.94%	6.48%	1.46%
Dec-99	8.14%	6.69%	1.45%
Jan-00	8.35%	6.86%	1.49%
Feb-00	8.25%	6.54%	1.71%
Mar-00	8.28%	6.38%	1.90%
Apr-00	8.29%	6.18%	2.11%
May-00	8.70%	6.55%	2.15%
Jun-00	8.36%	6.28%	2.08%
Jul-00	8.25%	6.20%	2.05%
Aug-00	8.13%	6.02%	2.11%
Sep-00	8.23%	6.09%	2.14%
Oct-00	8.14%	6.04%	2.10%
Nov-00	8.11%	5.98%	2.13%
Dec-00	7.84%	5.64%	2.20%
Jan-01	7.80%	5.65%	2.15%
Feb-01	7.74%	5.62%	2.12%
Mar-01	7.68%	5.49%	2.19%
Apr-01	7.94%	5.78%	2.16%
May-01	7.99%	5.92%	2.07%
Jun-01	7.85%	5.82%	2.03%
Jul-01	7.78%	5.75%	2.03%
Aug-01	7.59%	5.58%	2.01%
Sep-01	7.75%	5.53%	2.22%
Oct-01	7.63%	5.34%	2.29%
Nov-01	7.57%	5.33%	2.24%
Dec-01	7.83%	5.76%	2.07%
Jan-02	7.66%	5.69%	1.97%
Feb-02	7.54%	5.61%	1.93%
Mar-02	7.76%	5.93%	1.83%
Apr-02	7.57%	5.85%	1.72%
May-02	7.52%	5.81%	1.71%
Jun-02	7.42%	5.65%	1.77%
Jul-02	7.31%	5.51%	1.80%
Aug-02	7.17%	5.19%	1.98%
Sep-02	7.08%	4.87%	2.21%
Oct-02	7.23%	5.00%	2.23%
Nov-02	7.14%	5.04%	2.10%
Dec-02	7.07%	5.01%	2.06%
Jan-03	7.07%	5.02%	2.05%
Feb-03	6.93%	4.87%	2.06%
Mar-03	6.79%	4.82%	1.97%
Apr-03	6.64%	4.91%	1.73%
May-03	6.36%	4.52%	1.84%
Jun-03	6.21%	4.34%	1.87%
Jul-03	6.57%	4.92%	1.65%
Aug-03	6.78%	5.39%	1.39%
Sep-03	6.56%	5.21%	1.35%
Oct-03	6.43%	5.21%	1.22%
Nov-03	6.37%	5.17%	1.20%
Dec-03	6.27%	5.11%	1.16%
Jan-04	6.15%	5.01%	1.14%
Feb-04	6.15%	4.94%	1.21%
Mar-04	5.97%	4.72%	1.25%
Apr-04	6.35%	5.16%	1.19%
May-04	6.62%	5.46%	1.16%
Jun-04	6.46%	5.45%	1.01%
Jul-04	6.27%	5.24%	1.03%
Aug-04	6.14%	5.07%	1.07%
Sep-04	5.98%	4.89%	1.09%
Oct-04	5.94%	4.85%	1.09%
Nov-04	5.97%	4.89%	1.08%
Dec-04	5.92%	4.88%	1.04%
Jan-05	5.78%	4.77%	1.01%
Feb-05	5.61%	4.61%	1.00%
Mar-05	5.83%	4.89%	0.94%
Apr-05	5.64%	4.75%	0.89%
May-05	5.53%	4.56%	0.97%
Jun-05	5.40%	4.35%	1.05%

S&P Composite Index and S&P Public Utility Index
Long-Term Corporate and Public Utility Bonds
Yearly Total Returns
1928-2004

Year	S & P Composite Index	S & P Public Utility Index	Long Term Corporate Bonds	Public Utility Bonds
1928	43.61%	57.47%	2.84%	3.08%
1929	-8.42%	11.02%	3.27%	2.34%
1930	-24.90%	-21.96%	7.98%	4.74%
1931	-43.34%	-35.90%	-1.85%	-11.11%
1932	-8.19%	-0.54%	10.82%	7.25%
1933	53.99%	-21.87%	10.38%	-3.82%
1934	-1.44%	-20.41%	13.84%	22.61%
1935	47.67%	76.63%	9.61%	16.03%
1936	33.92%	20.69%	6.74%	8.30%
1937	-35.03%	-37.04%	2.75%	-4.05%
1938	31.12%	22.45%	6.13%	8.11%
1939	-0.41%	11.26%	3.97%	6.76%
1940	-9.78%	-17.15%	3.39%	4.45%
1941	-11.59%	-31.57%	2.73%	2.15%
1942	20.34%	15.39%	2.60%	3.81%
1943	25.90%	46.07%	2.83%	7.04%
1944	19.75%	18.03%	4.73%	3.29%
1945	36.44%	53.33%	4.08%	5.92%
1946	-8.07%	1.26%	1.72%	2.98%
1947	5.71%	-13.16%	-2.34%	-2.19%
1948	5.50%	4.01%	4.14%	2.65%
1949	18.79%	31.39%	3.31%	7.16%
1950	31.71%	3.25%	2.12%	2.01%
1951	24.02%	18.63%	-2.69%	-2.77%
1952	18.37%	19.25%	3.52%	2.99%
1953	-0.99%	7.85%	3.41%	2.08%
1954	52.62%	24.72%	5.39%	7.57%
1955	31.56%	11.26%	0.48%	0.12%
1956	6.56%	5.06%	-6.81%	-6.25%
1957	-10.78%	6.36%	8.71%	3.58%
1958	43.36%	40.70%	-2.22%	0.18%
1959	11.96%	7.49%	-0.97%	-2.29%
1960	0.47%	20.26%	9.07%	9.01%
1961	26.89%	29.33%	4.82%	4.65%
1962	-8.73%	-2.44%	7.95%	6.55%
1963	22.80%	12.36%	2.19%	3.44%
1964	16.48%	15.91%	4.77%	4.94%
1965	12.45%	4.67%	-0.46%	0.50%
1966	-10.06%	-4.48%	0.20%	-3.45%
1967	23.98%	-0.63%	-4.95%	-3.63%
1968	11.06%	10.32%	2.57%	1.87%
1969	-8.50%	-15.42%	-8.09%	-6.66%
1970	4.01%	16.56%	18.37%	15.90%
1971	14.31%	2.41%	11.01%	11.59%
1972	18.98%	8.15%	7.26%	7.19%
1973	-14.66%	-18.07%	1.14%	2.42%
1974	-26.47%	-21.55%	-3.06%	-5.28%
1975	37.20%	44.49%	14.64%	15.50%
1976	23.84%	31.81%	18.65%	19.04%
1977	-7.18%	8.64%	1.71%	5.22%
1978	6.56%	-3.71%	-0.07%	-0.98%
1979	18.44%	13.58%	-4.18%	-2.75%
1980	32.42%	15.08%	-2.76%	-0.23%
1981	-4.91%	11.74%	-1.24%	4.27%
1982	21.41%	26.52%	42.56%	33.52%
1983	22.51%	20.01%	6.26%	10.33%
1984	6.27%	26.04%	16.86%	14.82%
1985	32.16%	33.05%	30.09%	26.48%
1986	18.47%	28.53%	19.85%	18.16%
1987	5.23%	-2.92%	-0.27%	3.02%
1988	16.81%	18.27%	10.70%	10.19%
1989	31.49%	47.80%	16.23%	15.61%
1990	-3.17%	-2.57%	6.78%	8.13%
1991	30.55%	14.61%	19.89%	19.25%
1992	7.67%	8.10%	9.39%	8.65%
1993	9.99%	14.41%	13.19%	10.59%
1994	1.31%	-7.94%	-5.76%	-4.72%
1995	37.43%	42.15%	27.20%	22.81%
1996	23.07%	3.14%	1.40%	3.04%
1997	33.36%	24.69%	12.95%	11.39%
1998	28.58%	14.82%	10.76%	9.44%
1999	21.04%	-8.85%	-7.45%	-1.69%
2000	-9.11%	59.70%	12.87%	9.45%
2001	-11.88%	-30.41%	10.65%	5.85%
2002	-22.10%	-30.04%	16.33%	1.63%
2003	28.70%	26.11%	5.27%	10.01%
2004	10.87%	24.22%	8.72%	6.03%
Geometric Mean	10.10%	8.55%	5.89%	5.50%
Arithmetic Mean	12.08%	10.94%	6.22%	5.79%
Standard Deviation	20.37%	22.81%	8.67%	7.98%
Median	14.31%	11.26%	4.14%	4.65%

S&P Composite Index and S&P Public Utility Index
Long-Term Corporate and Public Utility Bonds
Yearly Total Returns
1928-2004

<u>Year</u>	<u>S & P Composite Index</u>	<u>S & P Public Utility Index</u>	<u>Long Term Corporate Bonds</u>	<u>Public Utility Bonds</u>
1928	1.4361	1.5747	1.0284	1.0308
1929	0.9158	1.1102	1.0327	1.0234
1930	0.7510	0.7804	1.0798	1.0474
1931	0.5666	0.6410	0.9815	0.8889
1932	0.9181	0.9946	1.1082	1.0725
1933	1.5399	0.7813	1.1038	0.9618
1934	0.9856	0.7959	1.1384	1.2261
1935	1.4767	1.7663	1.0961	1.1603
1936	1.3392	1.2069	1.0674	1.0830
1937	0.6497	0.6296	1.0275	0.9595
1938	1.3112	1.2245	1.0613	1.0811
1939	0.9959	1.1126	1.0397	1.0676
1940	0.9022	0.8285	1.0339	1.0445
1941	0.8841	0.6843	1.0273	1.0215
1942	1.2034	1.1539	1.0260	1.0381
1943	1.2590	1.4607	1.0283	1.0704
1944	1.1975	1.1803	1.0473	1.0329
1945	1.3644	1.5333	1.0408	1.0592
1946	0.9193	1.0126	1.0172	1.0298
1947	1.0571	0.8684	0.9766	0.9781
1948	1.0550	1.0401	1.0414	1.0265
1949	1.1879	1.3139	1.0331	1.0716
1950	1.3171	1.0325	1.0212	1.0201
1951	1.2402	1.1863	0.9731	0.9723
1952	1.1837	1.1925	1.0352	1.0299
1953	0.9901	1.0785	1.0341	1.0208
1954	1.5262	1.2472	1.0539	1.0757
1955	1.3156	1.1126	1.0048	1.0012
1956	1.0656	1.0506	0.9319	0.9375
1957	0.8922	1.0636	1.0871	1.0358
1958	1.4336	1.4070	0.9778	1.0018
1959	1.1196	1.0749	0.9903	0.9771
1960	1.0047	1.2026	1.0907	1.0901
1961	1.2689	1.2933	1.0482	1.0465
1962	0.9127	0.9756	1.0795	1.0655
1963	1.2280	1.1236	1.0219	1.0344
1964	1.1648	1.1591	1.0477	1.0494
1965	1.1245	1.0467	0.9954	1.0050
1966	0.8994	0.9552	1.0020	0.9655
1967	1.2398	0.9937	0.9505	0.9637
1968	1.1106	1.1032	1.0257	1.0187
1969	0.9150	0.8458	0.9191	0.9334
1970	1.0401	1.1656	1.1837	1.1590
1971	1.1431	1.0241	1.1101	1.1159
1972	1.1898	1.0815	1.0726	1.0719
1973	0.8534	0.8193	1.0114	1.0242
1974	0.7353	0.7845	0.9694	0.9472
1975	1.3720	1.4449	1.1464	1.1550
1976	1.2384	1.3181	1.1865	1.1904
1977	0.9282	1.0864	1.0171	1.0522
1978	1.0656	0.9629	0.9993	0.9902
1979	1.1844	1.1358	0.9582	0.9725
1980	1.3242	1.1508	0.9724	0.9977
1981	0.9509	1.1174	0.9876	1.0427
1982	1.2141	1.2652	1.4256	1.3352
1983	1.2251	1.2001	1.0626	1.1033
1984	1.0627	1.2604	1.1686	1.1482
1985	1.3216	1.3305	1.3009	1.2648
1986	1.1847	1.2853	1.1985	1.1816
1987	1.0523	0.9708	0.9973	1.0302
1988	1.1681	1.1827	1.1070	1.1019
1989	1.3149	1.4780	1.1623	1.1561
1990	0.9683	0.9743	1.0678	1.0813
1991	1.3055	1.1461	1.1989	1.1925
1992	1.0767	1.0810	1.0939	1.0865
1993	1.0999	1.1441	1.1319	1.1059
1994	1.0131	0.9206	0.9424	0.9528
1995	1.3743	1.4215	1.2720	1.2281
1996	1.2307	1.0314	1.0140	1.0304
1997	1.3336	1.2469	1.1295	1.1139
1998	1.2858	1.1482	1.1076	1.0944
1999	1.2104	0.9115	0.9255	0.9831
2000	0.9089	1.5970	1.1287	1.0945
2001	0.8812	0.6959	1.1065	1.0585
2002	0.7790	0.6996	1.1633	1.0163
2003	1.2870	1.2611	1.0527	1.1001
2004	1.1087	1.2422	1.0872	1.0603

**Tabulation of Risk Rate Differentials for
S&P Public Utility Index and Public Utility Bonds
For the Years 1928-2004, 1952-2004, 1974-2004, and 1979-2004**

<u>Total Returns</u>	<u>Range</u>		<u>Midpoint</u>	<u>Point Estimate</u>	<u>Average of the Midpoint of Range and Point Estimate</u>
	<u>Geometric Mean</u>	<u>Median</u>		<u>Arithmetic Mean</u>	
<u>1928-2004</u>					
S&P Public Utility Index	8.55%	11.26%		10.94%	
Public Utility Bonds	<u>5.50%</u>	<u>4.65%</u>		<u>5.79%</u>	
Risk Differential	<u>3.05%</u>	<u>6.61%</u>	<u>4.83%</u>	<u>5.15%</u>	<u>4.99%</u>
<u>1952-2004</u>					
S&P Public Utility Index	10.71%	12.36%		12.29%	
Public Utility Bonds	<u>6.27%</u>	<u>5.22%</u>		<u>6.59%</u>	
Risk Differential	<u>4.44%</u>	<u>7.14%</u>	<u>5.79%</u>	<u>5.70%</u>	<u>5.75%</u>
<u>1974-2004</u>					
S&P Public Utility Index	12.41%	14.82%		14.50%	
Public Utility Bonds	<u>8.89%</u>	<u>9.44%</u>		<u>9.25%</u>	
Risk Differential	<u>3.52%</u>	<u>5.38%</u>	<u>4.45%</u>	<u>5.25%</u>	<u>4.85%</u>
<u>1979-2004</u>					
S&P Public Utility Index	13.01%	14.95%		14.99%	
Public Utility Bonds	<u>9.39%</u>	<u>9.45%</u>		<u>9.74%</u>	
Risk Differential	<u>3.62%</u>	<u>5.50%</u>	<u>4.56%</u>	<u>5.25%</u>	<u>4.91%</u>

S&P Composite Index and S&P Public Utility Index
 Long-Term Corporate and Public Utility Bonds
 Yearly Total Returns
 1952-2004

<u>Year</u>	<u>S & P Composite Index</u>	<u>S & P Public Utility Index</u>	<u>Long Term Corporate Bonds</u>	<u>Public Utility Bonds</u>
1952	18.37%	19.25%	3.52%	2.99%
1953	-0.99%	7.85%	3.41%	2.08%
1954	52.62%	24.72%	5.39%	7.57%
1955	31.56%	11.26%	0.48%	0.12%
1956	6.56%	5.06%	-6.81%	-6.25%
1957	-10.78%	6.36%	8.71%	3.58%
1958	43.36%	40.70%	-2.22%	0.18%
1959	11.96%	7.49%	-0.97%	-2.29%
1960	0.47%	20.26%	9.07%	9.01%
1961	26.89%	29.33%	4.82%	4.65%
1962	-8.73%	-2.44%	7.95%	6.55%
1963	22.80%	12.36%	2.19%	3.44%
1964	16.48%	15.91%	4.77%	4.94%
1965	12.45%	4.67%	-0.46%	0.50%
1966	-10.06%	-4.48%	0.20%	-3.45%
1967	23.98%	-0.63%	-4.95%	-3.63%
1968	11.06%	10.32%	2.57%	1.87%
1969	-8.50%	-15.42%	-8.09%	-6.66%
1970	4.01%	16.56%	18.37%	15.90%
1971	14.31%	2.41%	11.01%	11.59%
1972	18.98%	8.15%	7.26%	7.19%
1973	-14.66%	-18.07%	1.14%	2.42%
1974	-26.47%	-21.55%	-3.06%	-5.28%
1975	37.20%	44.49%	14.64%	15.50%
1976	23.84%	31.81%	18.65%	19.04%
1977	-7.18%	8.64%	1.71%	5.22%
1978	6.56%	-3.71%	-0.07%	-0.98%
1979	18.44%	13.58%	-4.18%	-2.75%
1980	32.42%	15.08%	-2.76%	-0.23%
1981	-4.91%	11.74%	-1.24%	4.27%
1982	21.41%	26.52%	42.56%	33.52%
1983	22.51%	20.01%	6.26%	10.33%
1984	6.27%	26.04%	16.86%	14.82%
1985	32.16%	33.05%	30.09%	26.48%
1986	18.47%	28.53%	19.85%	18.16%
1987	5.23%	-2.92%	-0.27%	3.02%
1988	16.81%	18.27%	10.70%	10.19%
1989	31.49%	47.80%	16.23%	15.61%
1990	-3.17%	-2.57%	6.78%	8.13%
1991	30.55%	14.61%	19.89%	19.25%
1992	7.67%	8.10%	9.39%	8.65%
1993	9.99%	14.41%	13.19%	10.59%
1994	1.31%	-7.94%	-5.76%	-4.72%
1995	37.43%	42.15%	27.20%	22.81%
1996	23.07%	3.14%	1.40%	3.04%
1997	33.36%	24.69%	12.95%	11.39%
1998	28.58%	14.82%	10.76%	9.44%
1999	21.04%	-8.85%	-7.45%	-1.69%
2000	-9.11%	59.70%	12.87%	9.45%
2001	-11.88%	-30.41%	10.65%	5.85%
2002	-22.10%	-30.04%	16.33%	1.63%
2003	28.70%	26.11%	5.27%	10.01%
2004	10.87%	24.22%	8.72%	6.03%
Geometric Mean	11.51%	10.71%	6.65%	6.27%
Arithmetic Mean	12.88%	12.29%	7.09%	6.59%
Standard Deviation	17.44%	18.61%	10.01%	8.45%
Median	14.31%	12.36%	5.39%	5.22%

S&P Composite Index and S&P Public Utility Index
Long-Term Corporate and Public Utility Bonds
Yearly Total Returns
1952-2004

<u>Year</u>	<u>S & P Composite Index</u>	<u>S & P Public Utility Index</u>	<u>Long Term Corporate Bonds</u>	<u>Public Utility Bonds</u>
1952	1.1837	1.1925	1.0352	1.0299
1953	0.9901	1.0785	1.0341	1.0208
1954	1.5262	1.2472	1.0539	1.0757
1955	1.3156	1.1126	1.0048	1.0012
1956	1.0656	1.0506	0.9319	0.9375
1957	0.8922	1.0636	1.0871	1.0358
1958	1.4336	1.4070	0.9778	1.0018
1959	1.1196	1.0749	0.9903	0.9771
1960	1.0047	1.2026	1.0907	1.0901
1961	1.2689	1.2933	1.0482	1.0465
1962	0.9127	0.9756	1.0795	1.0655
1963	1.2280	1.1236	1.0219	1.0344
1964	1.1648	1.1591	1.0477	1.0494
1965	1.1245	1.0467	0.9954	1.0050
1966	0.8994	0.9552	1.0020	0.9655
1967	1.2398	0.9937	0.9505	0.9637
1968	1.1106	1.1032	1.0257	1.0187
1969	0.9150	0.8458	0.9191	0.9334
1970	1.0401	1.1656	1.1837	1.1590
1971	1.1431	1.0241	1.1101	1.1159
1972	1.1898	1.0815	1.0726	1.0719
1973	0.8534	0.8193	1.0114	1.0242
1974	0.7353	0.7845	0.9694	0.9472
1975	1.3720	1.4449	1.1464	1.1550
1976	1.2384	1.3181	1.1865	1.1904
1977	0.9282	1.0864	1.0171	1.0522
1978	1.0656	0.9629	0.9993	0.9902
1979	1.1844	1.1358	0.9582	0.9725
1980	1.3242	1.1508	0.9724	0.9977
1981	0.9509	1.1174	0.9876	1.0427
1982	1.2141	1.2652	1.4256	1.3352
1983	1.2251	1.2001	1.0626	1.1033
1984	1.0627	1.2604	1.1686	1.1482
1985	1.3216	1.3305	1.3009	1.2648
1986	1.1847	1.2853	1.1985	1.1816
1987	1.0523	0.9708	0.9973	1.0302
1988	1.1681	1.1827	1.1070	1.1019
1989	1.3149	1.4780	1.1623	1.1561
1990	0.9683	0.9743	1.0678	1.0813
1991	1.3055	1.1461	1.1989	1.1925
1992	1.0767	1.0810	1.0939	1.0865
1993	1.0999	1.1441	1.1319	1.1059
1994	1.0131	0.9206	0.9424	0.9528
1995	1.3743	1.4215	1.2720	1.2281
1996	1.2307	1.0314	1.0140	1.0304
1997	1.3336	1.2469	1.1295	1.1139
1998	1.2858	1.1482	1.1076	1.0944
1999	1.2104	0.9115	0.9255	0.9831
2000	0.9089	1.5970	1.1287	1.0945
2001	0.8812	0.6959	1.1065	1.0585
2002	0.7790	0.6996	1.1633	1.0163
2003	1.2870	1.2611	1.0527	1.1001
2004	1.1087	1.2422	1.0872	1.0603

S&P Composite Index and S&P Public Utility Index
Long-Term Corporate and Public Utility Bonds
Yearly Total Returns
1974-2004

<u>Year</u>	<u>S & P Composite Index</u>	<u>S & P Public Utility Index</u>	<u>Long Term Corporate Bonds</u>	<u>Public Utility Bonds</u>
1974	-26.47%	-21.55%	-3.06%	-5.28%
1975	37.20%	44.49%	14.64%	15.50%
1976	23.84%	31.81%	18.65%	19.04%
1977	-7.18%	8.64%	1.71%	5.22%
1978	6.56%	-3.71%	-0.07%	-0.98%
1979	18.44%	13.58%	-4.18%	-2.75%
1980	32.42%	15.08%	-2.76%	-0.23%
1981	-4.91%	11.74%	-1.24%	4.27%
1982	21.41%	26.52%	42.56%	33.52%
1983	22.51%	20.01%	6.26%	10.33%
1984	6.27%	26.04%	16.86%	14.82%
1985	32.16%	33.05%	30.09%	26.48%
1986	18.47%	28.53%	19.85%	18.16%
1987	5.23%	-2.92%	-0.27%	3.02%
1988	16.81%	18.27%	10.70%	10.19%
1989	31.49%	47.80%	16.23%	15.61%
1990	-3.17%	-2.57%	6.78%	8.13%
1991	30.55%	14.61%	19.89%	19.25%
1992	7.67%	8.10%	9.39%	8.65%
1993	9.99%	14.41%	13.19%	10.59%
1994	1.31%	-7.94%	-5.76%	-4.72%
1995	37.43%	42.15%	27.20%	22.81%
1996	23.07%	3.14%	1.40%	3.04%
1997	33.36%	24.69%	12.95%	11.39%
1998	26.58%	14.82%	10.76%	9.44%
1999	21.04%	-8.85%	-7.45%	-1.69%
2000	-9.11%	59.70%	12.87%	9.45%
2001	-11.88%	-30.41%	10.65%	5.85%
2002	-22.10%	-30.04%	16.33%	1.63%
2003	28.70%	26.11%	5.27%	10.01%
2004	10.87%	24.22%	8.72%	6.03%
Geometric Mean	12.15%	12.41%	9.40%	8.89%
Arithmetic Mean	13.57%	14.50%	9.94%	9.25%
Standard Deviation	17.51%	21.45%	11.28%	9.18%
Median	18.44%	14.82%	10.65%	9.44%

S&P Composite Index and S&P Public Utility Index
 Long-Term Corporate and Public Utility Bonds
 Yearly Total Returns
 1974-2004

<u>Year</u>	<u>S & P Composite Index</u>	<u>S & P Public Utility Index</u>	<u>Long Term Corporate Bonds</u>	<u>Public Utility Bonds</u>
1974	0.7353	0.7845	0.9694	0.9472
1975	1.3720	1.4449	1.1464	1.1550
1976	1.2384	1.3181	1.1865	1.1904
1977	0.9282	1.0864	1.0171	1.0522
1978	1.0656	0.9629	0.9993	0.9902
1979	1.1844	1.1358	0.9582	0.9725
1980	1.3242	1.1508	0.9724	0.9977
1981	0.9509	1.1174	0.9876	1.0427
1982	1.2141	1.2652	1.4256	1.3352
1983	1.2251	1.2001	1.0626	1.1033
1984	1.0627	1.2604	1.1686	1.1482
1985	1.3216	1.3305	1.3009	1.2648
1986	1.1847	1.2853	1.1985	1.1816
1987	1.0523	0.9708	0.9973	1.0302
1988	1.1681	1.1827	1.1070	1.1019
1989	1.3149	1.4780	1.1623	1.1561
1990	0.9683	0.9743	1.0678	1.0813
1991	1.3055	1.1461	1.1989	1.1925
1992	1.0767	1.0810	1.0939	1.0865
1993	1.0999	1.1441	1.1319	1.1059
1994	1.0131	0.9206	0.9424	0.9528
1995	1.3743	1.4215	1.2720	1.2281
1996	1.2307	1.0314	1.0140	1.0304
1997	1.3336	1.2469	1.1295	1.1139
1998	1.2858	1.1482	1.1076	1.0944
1999	1.2104	0.9115	0.9255	0.9831
2000	0.9089	1.5970	1.1287	1.0945
2001	0.8812	0.6959	1.1065	1.0585
2002	0.7790	0.6996	1.1633	1.0163
2003	1.2870	1.2611	1.0527	1.1001
2004	1.1087	1.2422	1.0872	1.0603

S&P Composite Index and S&P Public Utility Index
 Long-Term Corporate and Public Utility Bonds
 Yearly Total Returns
 1979-2004

<u>Year</u>	<u>S & P Composite Index</u>	<u>S & P Public Utility Index</u>	<u>Long Term Corporate Bonds</u>	<u>Public Utility Bonds</u>
1979	18.44%	13.58%	-4.18%	-2.75%
1980	32.42%	15.08%	-2.76%	-0.23%
1981	-4.91%	11.74%	-1.24%	4.27%
1982	21.41%	26.52%	42.56%	33.52%
1983	22.51%	20.01%	6.26%	10.33%
1984	6.27%	26.04%	16.86%	14.82%
1985	32.16%	33.05%	30.09%	26.48%
1986	18.47%	28.53%	19.85%	18.16%
1987	5.23%	-2.92%	-0.27%	3.02%
1988	16.81%	18.27%	10.70%	10.19%
1989	31.49%	47.80%	16.23%	15.61%
1990	-3.17%	-2.57%	6.78%	8.13%
1991	30.55%	14.61%	19.89%	19.25%
1992	7.67%	8.10%	9.39%	8.65%
1993	9.99%	14.41%	13.19%	10.59%
1994	1.31%	-7.94%	-5.76%	-4.72%
1995	37.43%	42.15%	27.20%	22.81%
1996	23.07%	3.14%	1.40%	3.04%
1997	33.36%	24.69%	12.95%	11.39%
1998	28.58%	14.82%	10.76%	9.44%
1999	21.04%	-8.85%	-7.45%	-1.69%
2000	-9.11%	59.70%	12.87%	9.45%
2001	-11.88%	-30.41%	10.65%	5.85%
2002	-22.10%	-30.04%	16.33%	1.63%
2003	28.70%	26.11%	5.27%	10.01%
2004	10.87%	24.22%	8.72%	6.03%
Geometric Mean	13.72%	13.01%	10.06%	9.39%
Arithmetic Mean	14.87%	14.99%	10.63%	9.74%
Standard Deviation	16.01%	20.91%	11.61%	9.07%
Median	18.46%	14.95%	10.68%	9.45%

Comparable Earnings Approach

Using All Value Line Non-Utility Companies with
Timeliness of 3, 4 & 5; Safety Rank of 1, 2 & 3; Financial Strength of B+, B++, A & A+;
Price Stability of 85 to 100; Betas of .60 to .75; and Technical Rank of 3 & 4

Company	Industry	Timeliness Rank	Safety Rank	Financial Strength	Price Stability	Beta	Technical Rank
Alberto Culver	COSMETIC	3	1	A+	100	0.65	3
Ampco-Pittsburgh	STEEL	4	3	B+	90	0.60	3
Archer Daniels Midl'd	FOODPROC	4	3	B+	85	0.70	3
Avon Products	COSMETIC	3	2	B++	90	0.60	3
Banta Corp.	PUBLISH	4	2	B++	95	0.75	3
Brown-Forman 'B'	ALCO-BEV	3	1	A+	100	0.65	3
Capitol Fed. Fin'l	THRIFT	3	2	B++	95	0.75	4
Clorox Co.	HOUSEPRD	3	2	B++	85	0.65	3
ConAgra Foods	FOODPROC	4	1	A	95	0.70	3
Curtiss-Wright	MACHINE	3	2	B++	85	0.70	3
Dean Foods	FOODPROC	3	2	B++	85	0.65	3
Dentsply Int'l	MEDSUPPL	3	2	B++	90	0.70	3
Heinz (H.J.)	FOODPROC	3	1	A+	100	0.60	3
Hillenbrand Inds.	DIVERSIF	5	2	A	90	0.75	3
Hormel Foods	FOODPROC	3	1	A	95	0.70	3
Int'l Flavors & Frag.	CHEMSPEC	3	2	B++	85	0.75	3
Kellogg	FOODPROC	3	2	B++	95	0.60	3
Kraft Foods	FOODPROC	3	1	A+	95	0.65	3
Lancaster Colony	HOUSEPRD	5	1	A+	90	0.75	3
Liberty Corp.	ENTRTAIN	4	2	B+	95	0.75	3
Lockheed Martin	DEFENSE	3	2	A	85	0.70	4
Matthews Int'l	DIVERSIF	3	3	B+	85	0.70	4
McClatchy Co.	NWSPAPER	3	1	A	95	0.75	3
National Presto Ind.	APPLIANC	3	2	B+	100	0.65	3
Northrop Grumman	DEFENSE	3	3	B+	85	0.65	4
Old Nat'l Bancorp	BANKMID	4	2	B++	100	0.70	4
Popular Inc.	BANK	3	3	B+	100	0.75	4
Smucker (J.M.)	FOODPROC	3	2	B++	85	0.65	3
Universal Corp.	TOBACCO	4	2	B++	95	0.70	3
Washington Post	NWSPAPER	4	1	A+	100	0.70	3
Weis Markets	GROCERY	4	1	A	95	0.75	3
Average		<u>3</u>	<u>2</u>		<u>92</u>	<u>0.69</u>	<u>3</u>
Electric Group	Range	<u>3 to 5</u>	<u>1 to 3</u>	<u>B+ to A+</u>	<u>85 to 100</u>	<u>.60 to .75</u>	<u>3 to 4</u>
	Average	<u>4</u>	<u>2</u>	<u>A</u>	<u>96</u>	<u>0.72</u>	<u>3</u>

Source of Information: Value Line Investment Survey for Windows dated June 3, 2004

Comparable Earnings Approach
Five -Year Average Historical Earned Returns
for Years 1997-2001 and
Projected 3-5 Year Returns

<u>Company</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>Average</u>	<u>Projected 2008-10</u>
Alberto Culver	15.3%	15.0%	16.0%	15.3%	14.9%	15.3%	14.0%
Ampco-Pittsburgh	10.0%	NMF	3.4%	1.8%	NMF	5.1%	11.0%
Archer Daniels Midl'd	4.9%	6.1%	6.8%	6.2%	9.7%	6.7%	9.5%
Avon Products	-	-	-	179.0%	89.0%	134.0%	41.0%
Banta Corp.	15.8%	14.2%	13.3%	11.7%	12.6%	13.5%	13.0%
Brown-Forman 'B'	19.6%	17.4%	29.2%	24.5%	23.0%	22.7%	18.0%
Capitol Fed. Fin'l	7.7%	7.4%	9.1%	5.3%	4.8%	6.9%	9.5%
Clorox Co.	23.4%	20.2%	23.8%	42.3%	35.5%	29.0%	54.5%
ConAgra Foods	27.0%	17.1%	18.2%	18.2%	16.4%	19.4%	18.0%
Curtiss-Wright	13.1%	11.6%	10.1%	10.9%	11.3%	11.4%	11.0%
Dean Foods	20.1%	8.5%	17.0%	12.6%	12.2%	14.1%	11.0%
Dentsply Int'l	19.4%	18.0%	17.5%	15.4%	13.6%	16.8%	12.5%
Heinz (H.J.)	65.8%	49.3%	59.5%	41.1%	38.5%	50.8%	22.5%
Hillenbrand Inds.	18.7%	17.7%	19.8%	21.1%	17.5%	19.0%	16.0%
Hormel Foods	19.5%	18.3%	17.0%	14.8%	15.6%	17.0%	15.0%
Int'l Flavors & Frag.	23.7%	25.8%	32.0%	26.9%	23.8%	26.4%	18.5%
Kellogg	72.6%	61.1%	79.4%	54.5%	39.5%	61.4%	25.5%
Kraft Foods	14.2%	8.0%	13.6%	12.1%	10.7%	11.7%	10.0%
Lancaster Colony	24.6%	19.6%	16.6%	16.1%	13.4%	18.1%	14.5%
Liberty Corp.	4.4%	2.8%	6.1%	4.6%	11.0%	5.8%	8.5%
Lockheed Martin	6.0%	10.8%	18.0%	15.6%	18.0%	13.7%	21.0%
Matthews Int'l	22.0%	21.0%	21.1%	17.5%	18.0%	19.9%	15.0%
McClatchy Co.	9.3%	6.3%	12.5%	11.9%	11.1%	10.2%	9.5%
National Presto Ind.	6.2%	2.7%	3.6%	6.3%	6.0%	5.0%	7.0%
Northrop Grumman	15.9%	5.5%	4.8%	4.8%	6.4%	7.5%	11.0%
Old Nat'l Bancorp	14.0%	15.5%	14.8%	9.8%	9.6%	12.7%	15.0%
Popular Inc.	13.8%	13.4%	14.6%	17.1%	15.8%	14.9%	15.5%
Smucker (J.M.)	13.4%	12.2%	9.3%	10.0%	9.0%	10.8%	11.0%
Universal Corp.	23.7%	21.4%	18.1%	18.3%	13.5%	19.0%	12.0%
Washington Post	9.1%	4.3%	11.4%	8.7%	13.7%	9.4%	13.0%
Weis Markets	7.9%	10.1%	10.4%	9.5%	10.0%	9.6%	10.0%
Average						<u>20.6%</u>	<u>15.9%</u>
Median						<u>14.1%</u>	<u>13.0%</u>

**KENTUCKY POWER COMPANY
American Electric Power
ATTORNEY GENERALS FIRST SET
DATA REQUEST
Case No. 2005-00341**

Item No. 229

With reference to Schedule 11 of Exhibit PRM-1, please provide the methodology used to construct the S&P Utility Index, including the following: (1) the weights applied to the stock prices of each company in arriving at the index values; (2) how adjustments are made to the Index when companies are added to or deleted from the Index; (3) how adjustments are made to the Index in the event of stock splits and stock dividends; and (4) the number of companies in the Index each year.

Response

(1), (2), and (3)

A description of the issues considered by Standard & Poor's in the construction of its indices are provided in the publication that is attached.

(4) The current constituents of the index are shown on the attachment.

**STANDARD
& POOR'S**

September 28, 2004

S&P U.S. Indices Methodology

Standard & Poor's U.S. indices are designed to reflect the U.S. equity markets and, through the markets, the U.S. economy. The S&P 500 focuses on the large-cap sector of the market; however, since it includes a significant portion of the total value of the market, it also represents the market. The indices should be fair, meaning that an investor who buys all the stocks in an index with the index weights can achieve the same performance that Standard & Poor's calculates.

For the methodology on float adjustment, please see "Float Adjustment" at <http://www.indices.standardandpoors.com/>.

David M. Blitzer, Ph.D.
Managing Director &
Chairman of the Index
Committee
(212) 438-3907
david_blitzer@
standardandpoors.com

Michele Ruotolo,
Director, U.S. Indices

Dave Guarino, Director,
Media Relations
(212) 438-1471
dave_guarino@
standardandpoors.com

Addition and Deletion Criteria	2
Index Construction and Methodology	3
Index Governance and Maintenance	4
Total Return Index	5
Base Dates and History	5
Index Announcements	5
Holiday Schedule	6
Index Dissemination	6
Contact Information	6
Disclaimers	7

Addition and Deletion Criteria

Additions to the S&P 500, S&P MidCap 400 and S&P SmallCap 600

- U.S. companies.
- Adequate liquidity and reasonable per-share price -- the ratio of annual dollar value traded to market capitalization should be 0.3 or greater. Very low stock prices can affect a stock's liquidity.
- Market capitalization of \$4 Billion or more for the S&P 500, \$1 billion - \$4 Billion for the S&P MidCap 400 and \$300 million - \$1 billion for the S&P SmallCap 600. These ranges are reviewed from time to time to assure consistency with market conditions.
- Financial viability, usually measured as four consecutive quarters of positive as-reported earnings. As-reported earnings are GAAP Net Income excluding discontinued operations and extraordinary items.
- Public float of at least 50% of the stock.
- Maintaining sector balance for each index, as measured by a comparison of the GICS sectors in each index and in the market, in the relevant market capitalization ranges.
- Initial public offerings (IPOs) should be "seasoned" for 6 to 12 months before being considered for addition to indices.
- Operating company and not a closed-end fund, holding company, partnership, investment vehicle or royalty trust. Real Estate Investment Trusts are eligible for inclusion in Standard & Poor's U.S. indices.

Deletions from the S&P 500, S&P MidCap 400 and S&P SmallCap 600

- Companies involved in mergers, being acquired or significantly restructured such that they no longer meet inclusion criteria.
- Companies which substantially violate one or more of the addition criteria.

Standard & Poor's believes turnover in index membership should be avoided when possible. The addition criteria are for addition to an index, not for continued membership. As a result, a company in an index that appears to violate the criteria for addition to that index will not be deleted unless ongoing conditions warrant an index change. When a company is removed from an index, Standard & Poor's will explain the basis for the removal.

S&P 500 Equal Weight Index

The S&P 500 Equal Weight Index is an index using the same constituents as the S&P 500, but is equal weighted rather than capitalization weighted. This index was introduced in response to investor interest in an equal weighted index that supports different investment and benchmarking approaches while still recognizing the importance of the leading companies in leading industries selected for the S&P 500. The index is rebalanced quarterly to 0.20% weight for each company. Further information is available at www.indices.standardandpoors.com.¹

S&P 100 Index

The S&P 100 Index consists of 100 companies selected from the S&P 500. To be included, companies should be among the larger and more stable companies in the S&P 500 and must have listed options. Sector balance is considered in the selection of companies for the S&P 100. This index is widely used for derivatives and is the index underlying the OEX options.

S&P REIT Composite Index

The S&P REIT Composite Index tracks the market performance of U.S. real estate investment trusts, known as REITs. The REIT Composite consists of approximately 100 REITs chosen for their liquidity and importance in representing a diversified real estate portfolio. To be included a REIT must meet the same liquidity guidelines used for the S&P 500, S&P MidCap 400 and S&P SmallCap 600, and must be at least \$100 million in market capitalization. The S&P REIT Composite represents a balance of property types and geographic locations. Mortgage REITs are not eligible for inclusion. REITs may also be included in the S&P 500, S&P MidCap 400, or S&P SmallCap 600. A REIT may be included in these indices at the same time it is a member of the S&P REIT Composite.

Index Construction and Methodology

Standard & Poor's U.S. indices are designed to be liquid, tradable indices that support investment products such as index mutual funds, exchange traded funds, index portfolios, index futures and options and other derivative products. The indices represent the U.S. equity market and, through the market, the U.S. economy. The S&P 500 represents the large-cap segment of the U.S. equity markets; since it is a significant portion of the total market, it represents the overall market as well. Companies in the S&P 500 are considered to be leading companies in leading industries. The S&P MidCap 400 represents the mid-cap range of companies and the S&P SmallCap 600 represents small-cap companies. The three indices are

¹ see David M. Blitzer and Srikant Dash, *The S&P 500 Equal Weight Index: Structure and Methodology*, January 8, 2003, at www.indices.standardandpoors.com.

combined to form the S&P Composite 1500; the S&P 500 and S&P MidCap 400 are combined to form the S&P 900; and the S&P MidCap 400 and S&P SmallCap 600 are combined to form the S&P 1000. Stocks in the indices are classified under the Global Industry Classification Standard (GICS[®]).

Index Governance and Maintenance

Standard & Poor's U.S. indices are maintained by the U.S. Index Committee. There are eight members of the Committee; all are full-time professional members of Standard & Poor's staff. The Committee meets monthly. At each meeting the Committee reviews pending corporate actions that may affect companies in the indices, reviews companies that are being considered as candidates for addition to an index, reviews statistics comparing the composition of the indices to the market and reviews any significant market events. In addition, the Committee may revise index policy covering rules for selecting companies, treatment of dividends, share counts or other matters.

Standard & Poor's considers information about changes to its U.S. indices and related matters to be potentially market moving and material. Therefore, all Index Committee discussions are confidential.

Changes to the U.S. indices are made when needed. There is no annual or semi-annual reconstitution. Rather, changes in response to corporate actions, such as mergers, and to market developments can be made at any time. Changes are typically announced two to five business days before they are implemented. Announcements are available to the public via the www.standardandpoors.com website before, or at the same time, they are available to clients and companies affected by the announcement.

Changes in a company's shares outstanding of 5% or more due to mergers, acquisitions, public offerings, private placements, tender offers, Dutch auctions or exchange offers are made as soon as reasonably possible. All other changes of 5% or more (due to, for example, company stock repurchases, redemptions, exercise of options, warrants, subscription rights, conversion of preferred stock, notes, debt, equity participation units or other recapitalizations) are made weekly, and are announced on Tuesdays for implementation after the close of trading on Wednesday. Changes of less than 5% are implemented quarterly on the third Friday of March, June, September and December, and are usually announced two days prior.

Corporate actions (including stock splits, stock dividends, spinoffs, rights offerings, and similar events) are applied after market close on the day prior to the ex-date. For the methodology of index calculation and maintenance, please refer to the paper on the S&P Global 1200 Methodology available at www.indices.standardandpoors.com.

In cases where there is no achievable market price for a stock being deleted, it will be removed at zero or a minimal price at the Committee's discretion, in recognition of the real constraints faced by investors in trading bankrupt or suspended stocks.

Total Return Index

Total return index series are calculated for the U.S. indices in addition to the price return series. Ordinary cash dividends are applied on the ex-date in calculating the total return series. "Special dividends" are those dividends that are outside of the normal payment pattern established historically by the corporation. These are called "dividends" by the company and may be described as "special," "extra," "year-end" or "return of capital." Whether a dividend is funded from operating earnings or from other sources of cash does not affect the determination of whether it is an ordinary or a special dividend. Special dividends are treated as corporate actions with offsetting price and divisor adjustments; the total return index reflects both ordinary and special dividends.

Base Dates and History

The base value and dates for the indices are:

Index	Base Date	Base Value
S&P 500	1941-43	10
S&P MidCap 400	6/28/1991	100
S&P SmallCap 600	12/31/1993	100
S&P 900	12/31/1994	1000
S&P 1000	12/31/1994	1000
S&P Composite 1500	12/31/1994	100
S&P REIT Composite	12/31/1996	100

Index Announcements

Announcements of additions and deletions for the S&P 500, S&P MidCap 400, S&P SmallCap 600 or S&P REIT Composite are made at 5:15 pm U.S. Eastern Time. Press releases are posted on www.indices.standardandpoors.com and are released to major news services.

Complete data for index replication including share counts, tickers and data on index levels and returns are available through Standard & Poor's fee-based service, *S&P Index Alert*.

Index methodology is constantly under review for best practices, and any changes are announced well ahead of time via the website and by email to all clients.

Holiday Schedule

The S&P U.S. indices will be calculated when the U.S. equity markets are open. A complete holiday schedule for the year is available at www.indices.standardandpoors.com.

Index Dissemination

Index levels are available through S&P's website, www.indices.standardandpoors.com, through major quote vendors (see codes below), through numerous investment-oriented websites and various print and electronic media. S&P's website also provides an archive of recent index announcements, press releases and monthly releases giving total returns for S&P's headline indices.

Index	Bloomberg	Reuters
S&P 500	SPX	.SPX
S&P MidCap 400	MID	.MID
S&P SmallCap 600	SML	.SML
S&P 1500 Composite	SPR	.SPSUP
S&P 900	SPLGMID	.SPLGMID
S&P 1000	SPK	.SPMIDSM
S&P 100 (OEX)	OEX	.OEX
S&P 500 Equal Weight	SPXEW	.SPXEW
S&P REIT Composite	SPREIT	.SPREITS

For further information, please access our website at www.indices.standardandpoors.com

Contact Information

North America

New York

Melinda Chu (212) 438-1483

Maureen O'Shea (212) 438-2046

Toronto

Jasmit Bhandal (416) 507-4116

Tony North (416) 507-4006

Europe

Paris

Christopher O'Brien 33-140-287791

London

Susan Fagg 44 -020-7176-8388

Asia

Hong Kong

Jean Park 852-284-11032

Tokyo

Seiichiro Uchi 8133-593-8568

Australia

Sydney

Tim Eisenhauer 612-9255-9872

Disclaimers

The report is published by Standard & Poor's, 55 Water Street, New York NY 10041. Copyright © 2004. Standard & Poor's is a division of The McGraw-Hill Companies, Inc. All rights reserved. Standard & Poor's does not undertake to advise you of changes in the information contained in this report.

These materials have been prepared solely for informational purposes based upon information generally available to the public from sources believed to be reliable. Standard & Poor's makes no representation with respect to the accuracy or completeness of these materials, the content of which may change without notice. Standard & Poor's disclaims any and all liability relating to these materials and makes no express or implied representations or warranties concerning the accuracy or completeness of the report.

No portion of this publication may be reproduced in any format or by any means including electronically or mechanically, by photocopying, recording or by any information storage or retrieval system, or by any other form of manner whatsoever, without the prior written consent of Standard & Poor's.

Analytic services and products provided by Standard & Poor's are the result of separate activities designed to preserve the independence and objectivity of each analytic process. Standard & Poor's has established policies and procedures to maintain the confidentiality of non-public information received during each analytic process.

Occasionally, The McGraw-Hill Companies may use information you have provided to offer you products and services that may be of interest to you. If you do not wish us to share your information outside of The McGraw-Hill Companies, if you have questions about our privacy practices, or wish to confirm the accuracy of the information you've provided, please contact us at (212) 438-3534 or refer to <http://www.mcgraw-hill/privacy.html>.

The **Grow-Hill Companies**

**STANDARD
& POOR'S**

Global / English

select region/language

Register! (Optional)

Sign In

Search



Credit Ratings

Indices

Equity Research

Risk Solutions

CVC

Funds

Data Services

home • products a-z • our events • about us • press room • contact us • careers

Indices

- Real Time Values
- Index Changes
- Index Methodology
- News & Analysis
- Index Committee Policy
- Global Industry Classification Standard (GICS®)

Browse By Index

- Equity
 - S&P Global Indices
 - S&P Global 1200
 - S&P 500
 - S&P Europe 350
 - S&P/TOPIX 150
 - S&P/TSX 60
 - S&P/ASX 50
 - S&P Asia 50
 - S&P Latin America 40
 - S&P 700
 - S&P Currency Hedged Indices
 - S&P Dividend Aristocrats Indices
 - S&P ADR
 - S&P Global 100
 - S&P/Citigroup
 - S&P US Indices
 - S&P European Indices
 - S&P Chinese Indices
 - S&P Italian Indices
 - S&P Hong Kong Indices
 - S&P Japanese Indices

Results for: S&P 500

Index

Index Changes

Index Methodology

News & Analysis

Back to Index

effective as of next morning open

S&P 500 Constituents

Date

Utilities

17-NOV

All [A](#) [B](#) [C](#) [D](#) [E](#) [F](#) [G](#) [H](#) [I](#) [J](#) [K](#) [L](#) [M](#) [N](#) [O](#) [P](#) [Q](#) [R](#) [S](#) [T](#) [U](#) [V](#) [W](#) [X](#) [Y](#) [Z](#)

1-15 of 33 << <1> <2> <3> >>

Symbol	Company	Country	GICS® ¹	Sector	Price
AES	AES Corp.	US	55	Utilities	15.88
AYE	Allegheny Energy	US	55	Utilities	27.52
AEE	Ameren Corporation	US	55	Utilities	51.89
AEP	American Electric Power	US	55	Utilities	36.49
CPN	Calpine Corp.	US	55	Utilities	1.74
CNP	CenterPoint Energy	US	55	Utilities	13.18
CIN	CINergy Corp.	US	55	Utilities	40.85
CMS	CMS Energy	US	55	Utilities	13.93
ED	Consolidated Edison	US	55	Utilities	45.14
CEG	Constellation Energy Group	US	55	Utilities	52.76
D	Dominion Resources	US	55	Utilities	77.08
DTE	DTE Energy Co.	US	55	Utilities	43.44
DUK	Duke Energy	US	55	Utilities	26.85
DYN	Dynegy Inc. (New) Class A	US	55	Utilities	4.70
EIX	Edison Int'l	US	55	Utilities	43.80

Download Table

¹ = Global Industry Classification Standard

1-15 of 33 << <1> <2> <3> >>

Indices Products & Services

- Custom Index Solutions
- Licensing an S&P Index
- Index Alert

More...

- S&P Canadian Indices
- S&P Australian Indices
- S&P India Indices
- S&P Russian Indices
- S&P Emerging Markets
- S&P Style Indices
- S&P Pure Style Indices
- S&P Commodity Index
- S&P Composite Spreads
- S&P Hedge Fund Indices
- S&P Europe-Registered Funds Index Series
- Structured Finance
- Standard & Poor's/Investor Tools Municipal Bond Indices

Terms of Use

The RIC or Reuters Instrument Code set has been developed and is maintained by Reuters and is protected by intellectual property rights owned by Reuters. RICs are (c), database right and TM Reuters. Standard & Poor's uses RIC codes as instrument identifiers under license from Reuters and RICs may not be copied, published or redistributed without the prior written consent of Reuters.

**Introducing
the new
S&P U.S. Style
Index Series**

[Learn More](#)

Subscribe to the
first independent
fixed income index
for Canada

The
S&P/TSX
Canadian Bond Index

[Learn More](#)

[Disclaimers](#) [Privacy Notice](#) [Terms of Use](#) [Regulatory Disclosures](#) [Site Map](#) [Help](#)

Copyright (c) Standard & Poor's, a division of The McGraw-Hill Companies, Inc. All rights reserved.

Indices

- Real Time Values
- Index Changes
- Index Methodology
- News & Analysis
- Index Committee Policy
- Global Industry Classification Standard (GICS®)

Browse By Index

- Equity
 - S&P Global Indices
 - S&P Global 1200
 - S&P 500
 - S&P Europe 350
 - S&P/TOPIX 150
 - S&P/TSX 60
 - S&P/ASX 50
 - S&P Asia 50
 - S&P Latin America 40
 - S&P 700
 - S&P Currency Hedged
- Indices
 - S&P Dividend Aristocrats Indices
 - S&P ADR
 - S&P Global 100
 - S&P/Citigroup
 - S&P US Indices
 - S&P European Indices
 - S&P Chinese Indices
 - S&P Italian Indices
 - S&P Hong Kong Indices
 - S&P Japanese Indices

Results for: S&P 500

- Index
- Index Changes
- Index Methodology
- News & Analysis

◀ Back to Index

effective as of next morning open

S&P 500 Constituents

Date

Utilities

17-NOV

All [A](#) [B](#) [C](#) [D](#) [E](#) [F](#) [G](#) [H](#) [I](#) [J](#) [K](#) [L](#) [M](#) [N](#) [O](#) [P](#) [Q](#) [R](#) [S](#) [T](#) [U](#) [V](#) [W](#) [X](#) [Y](#) [Z](#)

16-30 of 33 << <1> <2> <3> >>

Symbol	Company	Country	GICS® ¹	Sector	Price
ETR	Entergy Corp.	US	55	Utilities	68.53
EXC	Exelon Corp.	US	55	Utilities	52.02
FE	FirstEnergy Corp.	US	55	Utilities	46.90
FPL	FPL Group	US	55	Utilities	42.53
KSE	Keyspan Energy	US	55	Utilities	34.23
GAS	NICOR Inc.	US	55	Utilities	39.77
NI	NiSource Inc.	US	55	Utilities	21.48
PGL	Peoples Energy	US	55	Utilities	36.22
PCG	PG&E Corp.	US	55	Utilities	35.77
PNW	Pinnacle West Capital	US	55	Utilities	41.58
PPL	PPL Corp.	US	55	Utilities	29.38
PGN	Progress Energy, Inc.	US	55	Utilities	43.58
PEG	Public Serv. Enterprise Inc.	US	55	Utilities	63.27
SRE	Sempra Energy	US	55	Utilities	42.60
SO	Southern Co.	US	55	Utilities	34.44

Download Table

¹ = Global Industry Classification Standard

16-30 of 33 << <1> <2> <3> >>

Indices Products & Services

- Custom Index Solutions
- Licensing an S&P Index
- Index Alert

More...

- [S&P Canadian Indices](#)
- [S&P Australian Indices](#)
- [S&P India Indices](#)
- [S&P Russian Indices](#)
- [S&P Emerging Markets](#)
- [S&P Style Indices](#)
- [S&P Pure Style Indices](#)
- [S&P Commodity Index](#)
- [S&P Composite Spreads](#)
- [S&P Hedge Fund Indices](#)
- [S&P Europe-Registered Funds Index Series](#)
- [Structured Finance](#)
- [Standard & Poor's/Investor](#)
- [Tools Municipal Bond Indices](#)

Terms of Use

The RIC or Reuters Instrument Code set has been developed and is maintained by Reuters and is protected by intellectual property rights owned by Reuters. RICs are (c), database right and TM Reuters. Standard & Poor's uses RIC codes as instrument identifiers under license from Reuters and RICs may not be copied, published or redistributed without the prior written consent of Reuters.

Introducing the new S&P U.S. Style Index Series

[Learn More](#)

Subscribe to the first independent fixed income index for Canada

The S&P/TSX Canadian Bond Index

[Learn More](#)

[Disclaimers](#) [Privacy Notice](#) [Terms of Use](#) [Regulatory Disclosures](#) [Site Map](#) [Help](#)

Copyright (c) Standard & Poor's, a division of The McGraw-Hill Companies, Inc. All rights reserved.

The McGraw-Hill Companies

**STANDARD
& POOR'S**

Global / English

select region/language

Register! (Optional)

Sign In

Search



Credit Ratings

Indices

Equity Research

Risk Solutions

CVC

Funds

Data Services

home • products a-z • our events • about us • press room • contact us • careers

Indices

- Real Time Values
- Index Changes
- Index Methodology
- News & Analysis
- Index Committee Policy
- Global Industry Classification Standard (GICS®)

Browse By Index

- Equity
 - S&P Global Indices
 - S&P Global 1200
 - S&P 500
 - S&P Europe 350
 - S&P/TOPIX 150
 - S&P/TSX 60
 - S&P/ASX 50
 - S&P Asia 50
 - S&P Latin America 40
 - S&P 700
 - S&P Currency Hedged Indices
 - S&P Dividend Aristocrats Indices
 - S&P ADR
 - S&P Global 100
 - S&P/Citigroup
 - S&P US Indices
 - S&P European Indices
 - S&P Chinese Indices
 - S&P Italian Indices
 - S&P Hong Kong Indices
 - S&P Japanese Indices

Results for: S&P 500

Index

Index Changes

Index Methodology

News & Analysis

Back to Index

effective as of next morning open

S&P 500 Constituents

Date

Utilities



17-NOV



All A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

31-33 of 33 << <1> <2> <3> >>

Symbol	Company	Country	GICS® ¹	Sector	Price
TE	TECO Energy	US	55	Utilities	17.47
TXU	TXU Corp.	US	55	Utilities	99.65
XEL	Xcel Energy Inc	US	55	Utilities	18.47

Download Table

¹ = Global Industry Classification Standard

31-33 of 33 << <1> <2> <3> >>

Terms of Use

The RIC or Reuters Instrument Code set has been developed and is maintained by Reuters and is protected by intellectual property rights owned by Reuters. RICs are (c), database right and TM Reuters. Standard & Poor's uses RIC codes as instrument identifiers under license from Reuters and RICs may not be copied, published or redistributed without the prior written consent of Reuters.

Indices Products & Services

- Custom Index Solutions
- Licensing an S&P Index
- Index Alert

More...

- S&P Canadian Indices
- S&P Australian Indices
- S&P India Indices
- S&P Russian Indices
- S&P Emerging Markets
- S&P Style Indices
- S&P Pure Style Indices
- S&P Commodity Index
- S&P Composite Spreads
- S&P Hedge Fund Indices
- S&P Europe-Registered Funds Index Series
- Structured Finance
- Standard & Poor's/Investor Tools Municipal Bond Indices

**Introducing
the new
S&P U.S. Style
Index Series**

[Learn More](#)

Subscribe to the
first independent
fixed income index
for Canada

**The
S&P/TSX
Canadian Bond Index**

[Learn More](#)

[Disclaimers](#) [Privacy Notice](#) [Terms of Use](#) [Regulatory Disclosures](#) [Site Map](#) [Help](#)

Copyright (c) Standard & Poor's, a division of The McGraw-Hill Companies, Inc. All rights reserved.